

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

In re

**CIRCUIT CITY STORES, INC., et al.,
Debtors.**

Chapter 11

Case No. 08-35653 (KRH)

Jointly Administered

**RESPONSE OF WCC PROPERTIES, LLC, TO LIQUIDATING
TRUST'S FORTY-SECOND OMNIBUS OBJECTION TO LANDLORD
CLAIMS (REDUCTION OF CERTAIN INVALID CLAIMS-MITIGATION)
(Claims No. 13480¹ & 15261)**

WCC Properties, LLC ("WCC"), by counsel, hereby files its response (the "Response") to the Liquidating Trust's Forty-Second Objection to Landlord Claims (the "Objection"). In the Objection, the Liquidating Trust asserts that WCC's Claim No. 15261 (the "Claim"), filed in the amount of \$810,533.50 should be reduced and allowed in the sum of \$17,863.00. WCC opposes the relief sought by the Liquidating Trust in the Objection and asks that the Claim be allowed in the full amount in which it was filed. In support of its Response, WCC states the following:

1. The Liquidating Trust's Objection asserts that the Claim should be reduced subject to modification upon timely receipt of mitigation information.

2. Claim No. 15261 should not be reduced because WCC was unable to mitigate the damages sought in its Claim. WCC listed the former Circuit City premises

¹ Claim No. 15261 amended WCC's Claim No. 13480. WCC will consent to striking Claim No. 13480 without prejudice to Claim No. 15261 and the various objections and responses filed with respect to the Claims.

(the "Premises") with the Phoenix office of CB Richard Ellis and with AT Pancrazi Real Estate in Yuma, Arizona. WCC intended that CBRE market the property to national tenants and Pancrazi to local Yuma tenants.

3. The Premises contains 20,257 square feet. Major tenants who would need that amount of square feet were, and are, very limited.

4. WCC sponsored several programs in Phoenix and Yuma for brokers and developers to acquaint them with the Premises. On a national level, CBRE developed a website for Las Palmillas Shopping Center and the Premises and promoted the website prominently at the annual International Council of Shopping Centers Conference in Las Vegas, Nevada, as well as at quarterly events in Phoenix and Tucson.

5. It was not until January of 2012 that WCC signed a new lease with Planet Fitness to take the Premises. The rent is significantly below what Circuit City was paying. The new lease requires WCC to spend approximately \$450,000 for new tenant improvements and commissions in order to re-lease the space. See Exhibit A attached hereto, the Declaration of Mr. George Codling.

6. The party with authority to discuss mitigation issues and the facts stated in this Response is the following:

Mr. George Codling
ADI Properties
2750 Womble Road, Suite 107
San Diego, California 92106
619-990-8510
gcodling3@gmail.com

WHEREFORE, WCC Properties, LLC, requests that the Court deny the Liquidating Trust's Objection to WCC's Claim No. 15261 and that claim be allowed by Court order in the amount of \$465,466.00 with respect to WCC's Second Amended Lease Rejection Damages Claim, and for such other and further relief as is just and proper.

Dated: June 26, 2012

/s/ Douglas Scott
Douglas Scott, VSB No. 28211
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-and-

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Counsel for WCC Properties, LLC

CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that on this day, a true and correct copy of the foregoing Response of WCC Properties, LLC, to Liquidating Trust's 42nd Omnibus Objection to Landlord Claims (Reduction of Certain Invalid Claims-Mitigation) (Claim No. 15261) was served electronically using the ECF system on all registered users of the CM/ECF system who have made an appearance in this matter.

\s\ Douglas Scott

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ALTFELD & BATTAILE P.C.

THE UNITED STATES BANKRUPTCY COURT
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DECLARATION OF GEORGE
CODLING UNDER THE PENALTY OF
PERJURY
(RE: WCC Properties, LLC's Claim)

I, George Codling do declare that the foregoing is true and correct pursuant to 28
U.S.C. § 1746:

1. I have personal knowledge of the matters set forth herein.

2. I am a manager of WCC Properties, LLC ("WCC"), the owner of Las
Palmillas shopping center in Yuma, Arizona.

3. I provide this Declaration to address the objection of the Circuit City
Trustee regarding the efforts taken by WCC to mitigate its damages caused by the
rejection of the Circuit City lease at the Las Palmillas Shopping Center.

4. When Circuit City moved out in February 2009, we listed the building with
the Phoenix office of CB Richard Ellis and with AT Pancrazi Real Estate in Yuma,
Arizona. We intended that CBRE market the property to national tenants and Pancrazi to
local Yuma tenants.

5. The property contains 20,257 square feet and major tenants who would
need that amount of square feet were, and are, very limited. During February 2009, the

economy was dramatically contracting. WCC sponsored several programs in Phoenix and Yuma for brokers and developers to acquaint them with the Circuit City property. On a national level, CBRE developed a website for Las Palmillas Shopping Center and the Circuit City property and promoted it prominently at the annual International Council of Shopping Centers Conference in Las Vegas, Nevada, as well as at quarterly events in Phoenix and Tucson.


6. It was not until January of 2012 that WCC signed a new lease with Planet Fitness to take the old Circuit City space. The rent is significantly below what Circuit City was paying. It requires WCC to spend approximately \$450,000 for new tenant improvements and commissions in order to re-lease the space.

7. I attach as Exhibit A to this Declaration a Marketing Report that lists the tenant, potential size, use, contact person of the tenant, applicable real estate broker and comments for leasing the property.

8. It was definitely in WCC's best interests to re-lease the premises as quickly as possible. But, the same contraction in the national economy that contributed to the demise of Circuit City also severely limited potential tenants who could lease that property.

9. I will provide any further detail, informally or at deposition, in support of WCC's efforts to re-lease the Circuit City space.

I declare that the foregoing is true and correct.


George Codling

Executed: June 26, 2012

/s/ Douglas Scott
Douglas Scott, VSB No. 28211
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☎ 804.257.9860

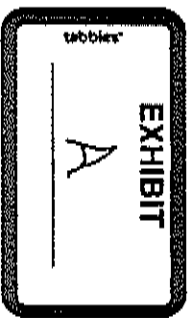
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Attorneys for Claimant WCC Properties, LLC

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LAS PALM UAS
MARKETING ACTIVITY REPORT
6/4/2012

MAJORS:	TENANT	SIZE	USE	QUOTE	CONTACT	BROKER	COMMENTS
	Chinese Butler	20,000	Chinese Restaurant		Johnny Luong	Mark Barnach	Mark showed China City space to tenant, considers 4 locations in region. One pending rent deal, will keep in mind Rodenas as various markets are considered.
	Famous Labels	25,000	Apparel		Michael Rodenas	Max Bays	Have not scheduled Yuma tour, recently discussed site with Max regarding activity.
	Etrocel	25,000	Shoes				
	Beet's Outlet	24,919	Apparel		Paul Richardson	Dave Uhles	Let message for Dave regarding Beet's shoes, will discuss this week.
	Comp USA	20,000	Electronics		Ed Schmidt	Tom Woods	Tom working with Dave broker on potential deal.
	McDonalds Apts & Crafts	20,000	Crafts		Rich Greene	Tom Woods	New rep for Yuma, per Mark. Preparing report for review. Tom Woods indicates no interest.
	Smart & Final Extra	25,000	Grocery		David Wre	Jim Michels	S & F not planning any relocations for now, not expanding Extra for cases in small markets.
	Pacific Saks	30,000	Electronics		Mike Polachek	Mike Polachek	Sent information to Mike, still evaluating Phoenix area sales.
	Staples	20,000	Office Supplies		Greg Lang		Staples has elected to stay in existing store location for now.
	Books A Million	20,000	Books		Tyler Bradford	Tom Pancazz	Have curialad expansion plans, Kevin to re-establish contact with RE rep.
	Hastings Books	25,000	Books		Pat Darcy		Tom continues talking with local store owner on potential relocation.
	Gun Club	10,000	Gun Range		Max Bays		Local broker had interest in leasing to gun club, not returning calls.
	Meijer	10,000	Apparel		Alex Clark		Max has 7/10/12/12 and has passed a long to Meijer. Maximizing interest.
	Wal-Mart Neighborhood Grocery	40,000	Grocery				Sent contact information to Chris Asch. Broker says they may come to Yuma soon.
Recently declined:							
	Farmers	20,000	Electronics		Robert Parredo		Declined site, cited distribution issues.
	WinCo Foods	95,000	Grocery		Ed Bush		Had an interest in acquiring Las Palmas along with Elia Viscia average lately. Looking in area.
	Lee's Home Improvement	130,000	Home Improvement		Tom Pancazz		Tom working with CA rep directly. Decision has not been made on new store in area yet.
	Toys R Us Babies R Us	20,000	Toys & Apparel		Arcey Kocet		Corporate has decided.
	Steve's Caming	12,000	Shoes		Nail Boaz		Corp wants to be in Yuma, Pains development only, cannot due to restriction. Declined.
	J.d.s	20,000	Apparel		Nail Boaz		Nail claims site is too close to Ross store location for d d s
	Uta Cosmetics	20,000	Cosmetics		Mike Polachek		Had good year in 2009, Mike will address Yuma again.
	DSW Shoes	12,000	Shoes		Todd Folger		Called Todd for update on sales in Phoenix, and overall expansion plans.
	Stein Mart	37,000	Apparel		David Day		David says not expanding right now, Corporate issues.
	Ever Mart	20,000	Liquor		Zach Pace		Declined site, not looking in Yuma at present.
	Total Wine	25,000	Wine & Liquor		Brynn Aulis		Yuma is not currently under consideration.
	24 Hr. Fitness	42,000	Fitness Club		Arcey Kocet		Not expanding in Arizona at present.
	Big's Wholesale Club	180,000	Wholesale Club		John M. Brady		Pick Dave's considers Yuma a one store market, passing on 2nd site.
	Big Lots	22,000	Overstock		Rich Davis		One store market for Big S, site declined.
	Big 5 Sporting Goods	10,000	Sporting Goods		Chris Ogden		
PAOS:							
	YUM! Brands	4,000	Restaurant		Bob Newton	Mark Barnach	Still not ready to consider Yuma for now, per Mark.
	Sweet Tomatoes	5,000	Restaurant		Larry Scott		Not actively expanding at present.
	Southern Salad	5,000	Restaurant		Tom Woods		Not active at present, per Tom.
	On the Border	4,000	Restaurant		Chris Tor		Not expanding in Yuma.
	The Keg Steakhouse	5,000	Restaurant		Paul Hollard		No interest at present.
	Big's Brewery	6,000	Restaurant		Zach Pace		No interest at present.
	Black Angus Steakhouse	6,000	Restaurant		Paul Seaton		Not expanding in Yuma.
	Longhorn Steak	5,000	Restaurant		Lance Umbs		Not expanding in Yuma.
	Longhorn Steak	5,000	Restaurant		Brian Polachek		Not expanding at present.
	Yard Hotels	3 ac.	Hotel		Dr. James Reid		Tom Pancazz to contact Paul about interest in site.
	Red Robin	5,000	Restaurant		Tim O'Keefe		Not looking in Yuma for now, will see rep at COSCO upcoming in Phoenix.
	Chase Bank	5,000	Bank		Jane Van Housen	Neil Board	Called Mark for update on expansion plans.
SHOPS:							



LAS PALMILLAS
MARKETING ACTIVITY REPORT
6/4/2012

PAK 350	3,500	Apparel		Mark Barach	Met working with Forever 21 type tenant looking at several options.
Echo Apparel	1,000	Apparel		Mark Barach	Met working with potential tenant discussing several online options.
SAS Shoes	4,500	Shoes		Mark Barach	Meeting this week with their broker, should have news.
Children's Store	2,000	Apparel	Mary Evans	Mark Barach	Tenant not returning calls.
Wicklow Bread Co	5,000	Restaurant	Joe Panier		Not expanding at present.
Zogg Sports G-3	5,000	Restaurant	Fel Goldstein		Met in market at present.
Best Rock Cafe	6,000	Restaurant		Mark Fischel	Called Mary for update on status, market expansion.
The Corner Bakery	4,000	Restaurant		Andy Knott	Sent to Andy. Tenant not active at present.
Old's Pizza	4,000	Restaurant		Chris Genov	Sent package to Chris, called for update.
Saled Creations	5,000	Restaurant		Andy Knott	Sent to Andy. Tenant not active at present.
Basin Robotics	1,200	Ice Cream	Andrew Starling		Met a active franchise market for them.
Radio Shack	1,400	Electronics			Not expanding at present.
John Murphy's Pizzeria	1,400	Pizzeria			Tenant monitoring with broker.
DROP LIST:					
Mano's Pizzeria	1,200	Pizzeria			Declined site.
White Mountain	1,200	Cosmetics			Declined site.
Surfer Salad	5,000	Restaurant		Tom Woods	Not expanding at present.
Shirley	1,400	Restaurant		Tom Farnazi	Not expanding at present.
Papa San Rice Bowl	1,200	Restaurant		Tom Farnazi	Not expanding at present.
Shiro's Pizzeria	1,500	Restaurant		Tom Farnazi	Not expanding at present.
Brown Bag Burger	1,500	Restaurant		Tom Farnazi	Not expanding at present.
Lamps Plus	5,000	Lighting		Dan Gardner	Yuma not on radar screen for now.
CarQuest	5,000	Automotive	Ed Shaeffer		Not returning calls.
BSO Globe	3,000	Specialty	Dick Brady		Not expanding at present.
Guitar Center	30,000	Musical Inst.		Larry Olvera	Not expanding in Yuma at present.
Goshwin	20,000	Sporting Goods		Larry Olvera	Not pursuing new deals for now, per Barry.
Bowen's Eup	60,000	Entertainment	Mark Ginchler		Have outlined expansion plans for next year, per Nick.
Powerhouse Fitness	22,000	Fitness Club	Shane Franklin	Jim Hood	Shakeup at Corporate has resulted in current expansion plans.
Asley Furniture	20,000	Furniture	Michael Jachewsky		Ton discussed with local operator. Not interested for now.
Shoe's Western Wear	20,000	Western Wear		Chuck Wiers	Not expanding in Yuma at present.
Park's TV	20,000	Electronics		Scott Kachian	Met with principals last Friday, do not have interest in expanding in AZ.
Mad King Shoes	1,400	Shoes			In market already.
Der Weinsteckerei	3,000	Restaurant		Mary Fischel	Not expanding at present.
Pizzeria Pizzeria	5,000	Restaurant		Mary Fischel	Not proper demographic for tenant, per Mary.
Relier Pizzeria	9,000	Pizzeria	Leslie Brown	Zach Face	Have declined site again, citing economic difficulty.
Office Max	22,000	Office Supplies	John Lee	Dick Sirt	Yuma not a market chosen for expansion.
La Z-Boy	15,000	Furniture			per Tom local owner says he needs to set existing blog in order to move.
LA Fitness	40,000	Fitness Club	John Gabriel	Walt Brown	Have exited several deals lately, Yuma not on radar for the moment.
Teal Wine	20,000	Liquor / Wine		Neil Boyd	Need population of over one million to consider entering market.
Borcher's Books	22,000	Books		Dan Gardner	Not active in market at present.
Sally Beauty Supply	1,400	Cosmetics			Deal not moving forward.
Books A Million	20,000	Books	Tyler Bradford	Dan Gardner	Sent information to broker. Not active in market for now.
Hardison Book	22,000	Apparel	John Billson		Passing on site. Need 500K population in trade area.
U & I Bank		Bank		Thomas D'Assen	Plans set for now per owner station of 100.
Washu Shoppe		Vitamin's		Miles Sanchez	Declined site. Outreach on expansion program may change, will monitor.
GoodYear		TBA		Bruce Milon	Not of interest at present.
Fischer Tire		TBA		Pat Bansen	Pat waiting to get direction on this market.
Freshone / Budget		Automotive		Pat Bansen	Pat waiting to get direction on this market.
Auto Zone		Automotive		Dan Sailey	Not actively expanding for now.
Cracker Auto		Automotive	Michael Baker		Not actively expanding for now.
Brakes Plus		Automotive			Have been inactive in market.
Number 1 Nails	1,200	Nail Salon			Not interested in proceeding, per Tom.

LAS PALMILLAS
MARKETING ACTIVITY REPORT
6/4/2012

Carpet Mills of America	5,000	Flooring			Not expanding in Yuma area.
Big O Tires		TBA			Not in market.
Village Inn		Restaurant		Tom Woods	In bankruptcy proceedings, may come out soon.
Fractal Tires		TBA	Ed Whitehead		Not of interest for the moment per Tom.
Discount Tire		TBA		Brace Almon	Passed on site, do not want to disturb existing volumes.
State Holdings	25,000	Entertainment		Todd Folger	On hold subject to Rio Vista Blunswick effort.
Big S Sporting Goods	10,000	Sporting Goods		Charles Ozyum	Renewed lease in Quartz, concern over proximity to Sports Authority from our side.
E & J Design Stices	15,000	Shoes	John Kasey		Income on lease, have "need" higher.
Deery's		Restaurant		Andy Kooel	located on 16th Street across from Yuma Palms.
De Tabor		Restaurant	Mina Lucero		located in Yuma Palms.
Mina's Cafe		Restaurant		Greg Lark	located on 16th Street in Yuma Palms.
Brake Shop		TBA			Not a candidate for now.
Orbit FFA		Restaurant	John Featherston	Greg Lark	located in Yuma Palms.
Sportsman's Warehouse	25,000	Sporting Goods	Shawn Ungard		Not looking in Yuma.
Artzberg Jakes	25,000	Entertainment	Aaron Becking	Rick Murphy	Yuma not on radar screen for now, per Rick.
Artcraft Home Furnishings	22,000	Furniture		Dave Kierstead	Have skewed expansion, check with Dave quarterly.
Texas Clothing Co.	5,000	Apparel		Ellet Simon	All Arizona moves on hold.
Office Depot	22,000	Office Supply	Foster Fernan	Chris Sharps	Tenant has not expansion efforts on hold.
Sport Chalet	20,000	Sporting Goods			We discuss with tenant, have not been buying Yuma.
First Yuma Bank		Bank			Have existing location on 16th Street, not expanding.
Toys R US	30,000	Toys	Bill Dugitzer	Andy Kooel	Deal not likely for now, operations declined.
Relco	17,000	Pet Supply		Mary Oleary	Not of interest, per Mary.
ACE Hardware	20,000	Hardware			Not in market for now.
Barnes & Noble	22,000	Books	Michael Martin		Tom working with Blunswick on potential purchase of Rio Vista parcel.
Blunswick Bookling Center	5,000	Entertainment			Deal has gone to another property.
USACE Recycling	3,000	Recycling			Not expanding in market for now.
Ritz Camera	1,500	Specialty			Desired site.
Hobart Sports	5,000	Sporting Goods			Already in market. Not a candidate.
Falco's Petco's	30,000	Apparel		Jacob Fochler	Passing on site, per Tyler Chester.
Pet Boys	25,000	Automotive		Tyler Chester	Have other location in Imperial, AZ, already.
Burlington Coat Factory	25,000	Apparel	John Gaud	Ned Boas	Not considering Yuma in expansion plans for now.
Shoe Carnival	12,000	Shoes		Tyson Switzer	Not expanding in Yuma market.
Floor & Decor	22,000	Flooring			Not expanding until 2011.
Office Max	18,000	Office Supply	John Lee	Dan Gatzert	Not entering Arizona market as yet.
A.J. Wright	25,000	Bricks		Tom Woods	Not expanding at present.
Per One	10,000	Bricks		Tom Woods	Already in market.
Applebee's		Restaurant		Tom Woods	In bankruptcy.
Village Inn		Restaurant			In market already.
Flooring America	5,000	Flooring			Already in market. Not ready to expand. Mattouch represents.
Knauf's	4,000	Flooring			